

AMOUNT OF MONTHLY INCOME PAYMENT

Canada Life determines the amount of Your Monthly Income Payment for Total Disability as follows:

Calculate the value of E as follows:

- A. Multiply the Benefit Percentage shown on the Schedule of Insurance for the option for which you are insured.

_____ %

Times

Your Pre-Disability Monthly Earnings

X _____

Answer:

A = _____

- B. The Maximum Benefit shown on the Schedule of Insurance for the option for which you are insured:

B = _____

- C. The smaller of A or B:

C = _____

- D. Total all of Your Income from Other Sources:

D = _____

- E. Subtract D from C:

(C) _____ - (D) _____

Answer:

E = _____

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EXHIBIT

A (cont.)

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Proportionate Method

Canada Life determines the amount of Your Monthly Income Benefit for Residual Disability as follows:

Calculate the value of E as follows:

- | | |
|---|--|
| <p>A. Multiply the Benefit Percentage shown on the Schedule of Insurance for the option for which you are insured.</p> <p style="text-align: center;"><i>Times</i></p> <p>Your Indexed Pre-Disability Monthly Earnings</p> <p>Answer:</p> | <p>_____ %</p> <p>X _____</p> <p>A = _____</p> |
| <p>B. The Maximum Benefit shown on the Schedule of Insurance for the option for which you are insured:</p> | <p>B = _____</p> |
| <p>C. The smaller of A or B:</p> | <p>C = _____</p> |
| <p>D. Total all of Your Income from Other Sources:</p> | <p>D = _____</p> |
| <p>E. Subtract D from C:
(C) _____ - (D) _____</p> | <p>Answer: E = _____</p> |

Calculate the value of I as follows:

F. Your Indexed Pre-Disability Monthly Earnings:

F = _____

G. Total all of Your Income from Other Sources:

G = _____

H. Your Work Earnings

H = _____

I. Subtract G and H from F:

(F) _____ - (G) _____ - (H) _____

I = _____

Your Monthly Income Payment for the first 12 monthly payments will be the smaller of E or I as calculated above.

For the remaining monthly payments, Canada Life will determine the amount of Your Monthly Income Benefit for Residual Disability as follows:

Calculate the value of F as follows:

A. Indexed Pre-Disability Monthly Earnings

A = _____

B. Your Work Earnings

B = _____

C. Subtract B from A:

(A) _____ - (B) _____

Answer:

C = _____

D. Divide your answer from C by A:

(C) _____ / (A) _____

Answer:

D = _____

E. The benefit that would be calculated if you were Totally Disabled:

E = _____

F. Multiply D times E:

(D) _____ X (E) _____

Answer:

F = _____

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As long as Canada Life has not made an overpayment, Your Monthly Income Payment will not be less than the Minimum Benefit as shown on the Schedule of Insurance.

You can not receive a Monthly Income Benefit for Total Disability and a Monthly Income Benefit for Residual Disability at the same time.

Any time the total of:

- (a) the Monthly Income Payment that You are receiving from this Policy; *and*
- (b) Income from Other Sources; *and*
- (c) any Work Earnings;

exceeds 100% of Indexed Pre-Disability Monthly Earnings, then the Monthly Income Benefit under this Policy will be reduced so that the total Monthly Income Benefit from all such sources does not exceed 100% of the Indexed Pre-Disability Monthly Earnings.

Monthly Income Benefits are paid monthly in arrears. Monthly Income Benefits are rounded to the nearest dollar.

PRORATION

Any Monthly Income Benefit payable for less than a month will be prorated based on a 30-day month. The prorated amount may be less than the Minimum Benefit.

Underpayments and Overpayments

If Canada Life determines that you have been paid less than You are entitled to, Canada Life will pay You the difference in one lump sum. If Canada Life determines that You have been paid more than You are entitled to, You must reimburse Canada Life in one lump sum.

If You do not reimburse Us, Canada Life may reduce or suspend Your Monthly Income Benefits each month until the lump sum has been exhausted or take other legal steps to recover the overpayment. If Canada Life reduces Your Monthly Income Benefit, the Monthly Income Benefit may be less than the Minimum Benefit shown in the Schedule of Insurance.

Awards of Damages

You will be required to reimburse Canada Life for any benefits Canada Life pays to You if *both* of the following conditions are met:

1. Benefits are paid or payable under this policy with respect to You; *and*
2. You have a right to and do recover damages from any person, organization, or legal entity that is or may be liable for any Injury, Accident, Sickness or other event giving rise directly or indirectly, to the Disability for which benefits are payable.

If the damages you are awarded, when added to the benefits paid under this plan, exceed 100% of Your lost income, You must reimburse Us for the amount that exceeds 100% of Your lost income. The amount You must reimburse will not be more than the benefits paid under this Policy.

If You receive damages in one or more lump sum payments instead of in monthly payments, the reimbursement amount will be based on the amount of the award. You must provide satisfactory proof of the award to Canada Life, or We will reasonably estimate the amount to be reimbursed.

Right of Reimbursement

Your lawyer may represent Canada Life's rights of reimbursement. However, Canada Life reserves the right to:

1. Appoint another lawyer to act on the behalf of Canada Life; *and*
2. Commence an action to pursue Canada Life's rights of reimbursement directly against a third party. You agree to fully co-operate with Canada Life in pursuing Canada Life's claim against the third party.

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EXCLUSIONS AND LIMITATIONS

PRE-EXISTING CONDITION EXCLUSION

No amount of Monthly Income Benefit will be payable for any disability which is caused by, contributed to by, or resulting from a Pre-Existing Condition. A Pre-Existing Condition is any Injury, disease, Sickness, Pregnancy or mental disorder for which You did or an ordinarily prudent person would have done *any* of the following within *90 days* prior to the date on which You became insured under this policy:

1. visited or consulted a physician, hospital or medical facility *or*
2. took clinical tests or received treatment. This includes (but is not limited to) taking pills, injections or other medication to treat any condition.

This exclusion will not apply if the Elimination Period for the disability begins after You have been Insured under this policy for at least *12 months*.

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GENERAL EXCLUSIONS

Canada Life *does not* pay Monthly Income Benefits if Your Disability is caused by or related to *any* of the following:

1. Intentional self-inflicted injury while sane or insane.
2. An act or Accident of war, declared or undeclared, whether civil or international, and any substantial armed conflict between organized forces of a military nature.
3. Taking part in a riot or civil commotion.
4. Committing or attempting to commit a felony, or engaging in an unlawful act or illegal occupation, or committing or provoking an unlawful act.
5. Committing or attempting to commit an assault.

Canada Life *does not* pay Monthly Income Benefits for any of the following:

1. Any period while You are no longer receiving Appropriate Evaluation and Treatment from a Physician.
2. With respect to mental disorder, any period while You are not under the continuing care of a Physician specializing in psychiatric care.
3. With respect to alcoholism and/or drug addiction, any period while You are not being actively supervised by and receiving continuing treatment from a rehabilitation center or a designated institution approved for such treatment by an appropriate body in the governing jurisdiction, or, if none, by Us.
4. Any period in which You fail to submit to any medical examination requested by Us.
5. Any period that You are confined to a penal or correctional institution.
6. When You have applied for Monthly Income Benefits under fraudulent circumstances.
7. Any period that any other requirement of the Policy is not met.

DISABILITY LIMITATIONS

Mental Illness, Alcoholism, Substance Dependency

Payment of Monthly Income Benefits is limited to a maximum of 24 months during Your lifetime for Disability caused by or related to *any* of the following:

- (a) Mental Illness *or*
- (b) Alcoholism *or*
- (c) Substance Dependency

This is not a separate maximum for each condition or for each period of Disability. This is a combined maximum for all periods of Disability and for all of these conditions.

However, if You are confined to a Hospital because of Disability after the end of the 24 months Canada Life will pay Monthly Income Benefits during Your confinement and for up to 60 days after You are discharged if You are still Disabled.

If within 60 days after You are discharged You are re-confined for at least 10 consecutive days because of the same Disability, then Canada Life will pay Monthly Income Benefits during Your re-confinement and for up to 60 days after You are discharged if You are still Disabled and for one additional recovery period up to 90 days.

Payment of Monthly Income Benefits will end earlier than stated above subject to the conditions of the When Your Monthly Income Benefits End section.

Mental Illness means a mental, nervous, stress-related, behavioral, or emotional disease or disorder of any type and resulting from any cause, including organic causes.

Alcoholism means an addictive relationship or pattern of use of alcohol.

Substance Dependency means an addictive relationship or pattern of use of drugs, chemicals, or similar substances.

WHEN YOUR MONTHLY INCOME BENEFITS END

Monthly Income Benefits end on the *earliest* of the date:

1. You are no longer Disabled as defined in the Definition of Disability provision; *or*
2. You are no longer receiving Appropriate Evaluation and Treatment from a Physician; *or*
3. that the Maximum Benefit Period ends; *or*
4. set out under the Disability Limitations section, if that section applies; *or*
5. of Your death; *or*
6. that Canada Life asks You for proof that You are still Disabled if Canada Life does not receive proof satisfactory to Canada Life 31 days following the date of Canada Life's request; *or*
7. that Canada Life asks You for details about Your Income From Other Sources, if You do not give Canada Life details within 31 days of Canada Life's request; *or*
8. that Canada Life asks You to be examined by:
 - a) a Physician; *or*
 - b) health care professional; *or*
 - c) vocational evaluator;

of Canada Life's choice, if You do not agree within 31 days of the request to be examined or if You do not cooperate with the examiner or if You decline to attend the examination; or
9. that You work, unless You are Residually Disabled and working in Rehabilitative Employment as part of a Rehabilitation Program approved by us; *or*
10. that You cease to reside in the United States or Canada; *or*
11. that You decline to participate in a Rehabilitation Program that Canada Life considers appropriate for Your situation and that is approved by an independent Physician; *or*
12. that any other requirement of the Policy is not met; *or*

13. with respect to mental disorder, any period while You are not under the continuing care of a Physician specializing in psychiatric care; *or*
14. with respect to alcoholism and/or drug addiction, any period while You are not being actively supervised by and receiving continuing treatment from a rehabilitation center or a designated institution approved for such treatment by an appropriate body in the governing jurisdiction, or, if none, by Us; *or*
15. any period in which You fail to submit any medical information requested by Us, including but not limited to Attending Physician's Statements, medical test results, and medical, hospital, or psychiatric records; *or*
16. any period that You are confined to a penal or correctional institution.
17. You have applied for Monthly Income Benefits under fraudulent circumstances.

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BENEFITS AFTER POLICY CANCELLATION

Cancellation of the Policy does not by itself affect Your right to receive Monthly Income Benefits for a Disability that begins while You were Insured. You must continue to comply with all requirements set out in the Policy.

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PREMIUM WAIVER

Canada Life does not require premiums to be paid for the period during which You are eligible to receive Monthly Income Benefits. Premium payments will be required after Your Monthly Income Benefits end if You continue to be Insured. If Your claim is admitted by Us, premium will be refunded retroactively through the Elimination Period.

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CONTINUITY OF COVERAGE UPON CHANGE OF INSURERS

In order to prevent loss of coverage when this policy replaces a group disability policy Your Employer had in force with another insurer within 60 days of termination of the prior policy, Canada Life will provide coverage in accordance with the following provisions.

Benefits for a Disability due to a Pre-Existing Condition may be payable to You provided:

- (a) you were insured under the Prior Plan on the last day before the Effective Date of this group policy; *and*
- (b) you were continuously insured under the group policy from the Effective Date of this Group Policy through the date the Pre-Existing Condition became disabling; *and*
- (c) benefits would have been payable under the prior plan if the prior plan had remained in force, taking into consideration the Pre-Existing Condition Exclusion or Limitation, if any, of the prior plan.

If the above conditions are met, the benefit Canada Life pays will be the Monthly Income Benefit payable under this Policy. These benefits will be reduced by the amount of any benefits for which the prior insurer is liable.

Any payment Canada Life makes will be reduced by any payments made for the same Disability under the Prior Plan.

If You cannot satisfy the above conditions and You were covered under the plan that This Plan replaced at the time of transfer, benefits may be payable under This Plan. Canada Life will give consideration towards the continuous time You were covered under the Prior Plan and This Plan. If You then satisfy the above conditions, the maximum Monthly Income Benefit Payable under This Plan will not exceed the lesser of (i) the Monthly Income Benefit under This Plan; and (ii) the Monthly Income Benefit under the Prior Plan.

Payments will cease on the *earlier* of:

- a) the date benefits cease under this Policy; *or*
- b) the date benefits would have ceased under the Prior Plan.

The applicable Pre-Existing Condition Exclusion or Limitation will apply for the amount of Monthly Income Benefits in excess of the Monthly Income Benefit provided by the Prior Plan on the last day before the Effective Date of this group policy.

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SURVIVOR BENEFIT (LUMP SUM VERSION)

If You die while You are receiving Monthly Income Benefits, Canada Life will pay a single lump-sum Survivor Benefit. Canada Life must receive proof of Your death.

The Survivor Benefit equals 3 times the Monthly Income Benefit reduced by Income from Other Sources. Any Survivor Benefit will be applied first to reduce any outstanding overpayment of Monthly Income Payments.

Canada Life will pay the Survivor Benefit to Your legal spouse, if living. If Your spouse is not living, Canada Life will pay the Survivor Benefit divided into equal shares to Your children. Children must be under age 21, unmarried, and dependent on You for support and maintenance. Children include step-children, adopted children, and foster children. If there is no person entitled to the Survivor Benefit living at the time of Your death, we will not pay the Survivor Benefit.

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REHABILITATION FEATURE

A Rehabilitation Program means a program of vocational rehabilitation *acceptable to Canada Life* that will lead to returning to work for the Employer or another employer.

Our rehabilitation specialists will make recommendations regarding Your vocational ability with the co-operation of Your Physician and other appropriate specialists. Canada Life will base the recommendation on *all* of the following:

- (a) the nature of Your condition; *and*
- (b) the expected length of Your Disability; *and*
- (c) Your education, training, and experience; *and*
- (d) Your work potential based on vocational assessments; *and*
- (e) time and expense related to returning to work; *and*
- (f) other factors related to Your own situation.

If, at any time, You decline to participate or cooperate in a rehabilitation evaluation/assessment or plan that Canada Life feels is appropriate and approved by Your Physician, we will cease paying Monthly Income Benefits.

If the Rehabilitation Program is *not* developed by Us, You must receive *written approval from Canada Life* before You start the program.

If You participate in an approved Rehabilitation program, Canada Life may:

- (a) increase Your Monthly Income Benefit by 5% not to exceed the Maximum Benefit as shown in the Schedule of Insurance; *or*
- (b) reimburse the Policyholder 50% of Your Monthly Earnings during the first 3 months of employment; *or*
- (c) reimburse the Policyholder for reasonable modification/accommodation expense.

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REASONABLE ACCOMMODATION EXPENSE BENEFIT

Canada Life will help Your Employer make a Reasonable Accommodation that will facilitate Your return to work. Canada Life will reimburse Your Employer for part or all of any Accommodation Expenses incurred in making the Reasonable Accommodation. Canada Life reserves the right to determine the amount of any reimbursement.

Your Employer is eligible to receive expense payments under this provision if *all* of the following are true:

- (a) You are Disabled; *and*
- (b) Your Employer will incur Accommodation Expenses in making the Reasonable Accommodation; *and*
- (c) the Reasonable Accommodation is acceptable to Canada Life and approved by Canada Life in writing prior to its implementation or Accommodation Expenses being incurred.

Accommodation Expenses means the costs Your Employer incurs in making a Reasonable Accommodation for You. It may include costs incurred by Your Employer for tools, equipment, furniture, computer software, or other items necessary for You to return to work.

Reasonable Accommodation means changes to Your work environment or to the way Your work is performed which allow You to return to work with Your Employer.

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FAMILY CARE REIMBURSEMENT

Family Care Expenses means the amount You must spend for care of a family member in order for You to work or participate in a Rehabilitation Program approved by us.

To help You return to work, Canada Life will reimburse you by the amount of Your Family Care Expenses up to a maximum of \$250 per month. The number of payments you may receive is described below. To receive this Family Care Reimbursement, the following must *all* be true:

- (a) You must be receiving Monthly Income Benefits for Residual Disability, *and*
- (b) Your family member must be age 14 or under, or dependent upon You because of a physical or mental handicap; *and*
- (c) Your family member must be dependent on You for support and maintenance; *and*
- (d) care for the family member must be given by a licensed child-care center or a licensed care giver who is not a relative; *and*
- (e) Your Family Care Expenses must be documented by receipts from the child-care center or caregiver, including social security number or taxpayer identification number.

The number of payments Canada Life will make will be the lesser of:

- (a) 12; and
- (b) the number of payments that You received during all periods of Disability caused by the same or related Injury or Sickness.

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CLAIM PROVISIONS

NOTICE OF CLAIM

You must give written notice to Canada Life of a claim within 30 days after the date You complete the Elimination Period. If this is not reasonably possible, You must give Canada Life the written notice as soon as it becomes reasonably possible. Such notice must include Your name, Your address and policy number. When Canada Life receives Your written notice, Canada Life will send You claims forms that You must complete.

PROOF OF DISABILITY

You must give Canada Life written Proof of Disability within 90 days after the end of the Elimination Period. If this is not reasonably possible, You must give Canada Life Proof of Disability as soon as it becomes reasonably possible, but not later than one year after the end of that 90 day period unless You lack legal capacity. If the Policy ends, You must give written notice and Proof of Disability for a Disability that began before the Policy ended within 90 days after the Policy ends.

Proof of Disability will include information from Your Physician about Your condition. You must authorize the release of Your medical information. You must give Canada Life any other information and items that Canada Life requires to support Your claim. Canada Life reserves the right to determine if Your Proof of Disability is satisfactory.

TIME OF PAYMENT OF CLAIM

When We receive satisfactory Proof of Disability, benefits payable under this Policy will be paid monthly during any period for which we are liable. Any balance which remains unpaid at the end of the period for which we are liable will be paid at that time.

EXAMINATIONS

Canada Life may require You to be examined at the expense of Canada Life by one or more Physicians, health care professionals, or vocational evaluators of Canada Life's choice. Canada Life may require examinations at any time and as often as reasonably necessary. Canada Life will deny or stop Monthly Income Benefits if You do not attend an examination or if You do not cooperate with the examiner. Additionally, Canada Life reserves the right to have the Eligible Employee interviewed by an authorized representative of Canada Life.

OUR RIGHT TO REQUIRE PROOF OF FINANCIAL LOSS

Canada Life has the right to require written *proof of financial loss*. This includes, but is not limited to:

1. statements of Pre-Disability Income;
2. statements of income received from All Sources while disabled;
3. evidence that due application has been made for all other available benefits;
4. tax returns, tax statements, and accountants' statements; *and*
5. any other proof Canada Life reasonably may require.

Canada Life may perform financial audits at the expense of Canada Life as often as it reasonably may require. Payment of benefits may be contingent upon the *proof of financial loss* being satisfactory to us.

PROOF OF CONTINUING DISABILITY

From time to time You must give proof satisfactory to Canada Life at Your expense that You are still Disabled. Canada Life will ask You for this proof at reasonable intervals. Canada Life will stop Monthly Income Benefits if You do not give proof satisfactory to Canada Life that You are still Disabled. Canada Life may investigate Your claim at any time.

IF YOUR CLAIM IS DENIED

If Canada Life wholly or partly denies Your claim, Canada Life will give You written notice of Canada Life's decision. Canada Life will:

1. tell You the specific reason or reasons for the denial; *and*
2. refer to the Policy provisions on which the denial is based; *and*
3. describe any additional information or documentation You must submit to support Your claim.

If You want Canada Life to review a denial, You must ask Canada Life in writing within 180 days after receiving notice of the denial. When You request a review, You may give Canada Life written comments and additional items to support Your claim. Canada Life will review Your claim after receiving Your written request. Canada Life will give You written notice of Canada Life's decision within 45 days after Canada Life receives Your request, or within 90 days if special circumstances make an extension necessary.

The Plan Administrator grants to Canada Life full discretion to interpret all claims evidence and materials, and to make all claims decisions under the contract, except as otherwise provided by law.

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GENERAL PROVISIONS**ASSIGNMENT**

You cannot assign Your rights or benefits under the Policy.

CURRENCY

All payments made to or by Canada Life will be made in United States dollars.

CLASS MEMBERSHIP

You may only be Insured under one Class only at any time.

MISREPRESENTATION OF EMPLOYEE INSURANCE

Any statement You make in an application to become Insured is a representation and not a warranty. No representation made by You in an application to become Insured will be used to reduce or deny Your claim or contest the validity of Your Insurance unless:

- (a) your Insurance would not have been approved except for Your misrepresentation; *or*
- (b) your misrepresentation is contained in a written instrument signed by you; *or*
- (c) we give You or Your representative a copy of the written instrument that contains Your misrepresentation.

INCONTESTABILITY OF EMPLOYEE INSURANCE

After Your Insurance has been in force for twenty-four months, Canada Life will not use misrepresentations made by You in an application to become Insured to reduce or deny Your claim for a Disability beginning after the end of the two year period or to contest the validity of Your Insurance, unless the misrepresentations are fraudulent. This section does not prevent Canada Life from using at any time a defense based on:

- (a) non-payment of premium; *or*
- (b) any other provision of the Policy; *or*
- (c) any other defense that is allowed by law.

MISSTATEMENT OF AGE OR OTHER FACTS

If Your age or any other fact was misstated, Canada Life will use the correct facts to determine whether You are Insured and if so, for what amount and duration.

ERRORS

You must be properly Insured under the Policy. An error or omission by the Plan Administrator or the Claims Administrator will not cause You to become Insured. An error or omission by the Plan Administrator or the Claims Administrator will not cancel Insurance that should continue nor continue Insurance that should end. The requirements of the Policy must be properly met for any change in the amount of Your Insurance to take effect.

AGENCY

The Employer and any administrator appointed by the Employer are not agents of Canada Life for any purpose. Canada Life is not liable for any of their acts or omissions.

CHANGES TO POLICY

This policy may be amended at any time by written agreement between the Policyholder and Canada Life without the consent of or notice to any other individual. Any amendment to this policy must be in writing and be attached to it. The amendment must bear the signature or a reproduction of the signature of one or both of the President or Secretary of Canada Life.

If a person who is insured is not Actively at Work on the Effective Date of the amendment, the effective date with respect to that person will be on the date that he is again Actively at Work. However, if the amendment reduced the amount of insurance to which the person is entitled, the effective date will be the effective date of the amendment.

It is understood that, if this policy is amended during a person's continuous period of Disability, the amendment will have no effect on the amount of his Insurance during that same continuous period of Disability.

ENFORCEMENT OF POLICY TERMS

If at any time Canada Life does not enforce a provision of the Policy, Canada Life still retains its right to enforce that provision at its option after providing notice.

LEGAL ACTIONS

You may not begin a legal action until 60 days after You have given Canada Life written proof of claim. You may not begin a legal action more than 36 months after giving the proof of claim. If these time limits for legal actions are shorter than that required by the law of the Applicable Jurisdiction, the time limits will be extended to the minimum requirements of that law.

EFFECT ON WORKERS' COMPENSATION

The coverage provided by the Policy is not a substitute for coverage under a workers' compensation or state disability income benefit law and does not relieve the Employer of any obligation to provide such coverage.

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SUMMARY PLAN DESCRIPTION INFORMATION

1. The Name of the Plan is Group Long Term Disability Insurance Plan.
2. The Name and Address of the Policyholder is:

BIG LOTS, INC.
300 Phillipi Road
Columbus, OH 43228
3. The Employer Identification Number is 31-1196889.
4. The type of Plan is Group Long Term Disability Benefits.
5. The type of Administration is Policyholder Administered.

Benefits under this plan are provided through insurance in accordance with the terms and conditions of the group contract issued by the Claims Administrator who is The Canada Life Assurance Company, Atlanta, Georgia 30348.

You must be eligible in order to be entitled to benefits under the plan. The eligibility requirement of the plan and the benefits You are insured for are explained in detail in the General Definitions portion of this booklet.

6. The Name, Address and phone number of the Plan Administrator is:

BIG LOTS, INC.
300 Phillipi Road
Columbus, OH 43228
(614) 278-6800

7. The Agent for Service of Legal process on the Policyholder is:

BIG LOTS, INC.
300 Phillipi Road
Columbus, OH 43228

The Plan Administrator is responsible for the administration of the plan and is designated agent for the service of legal process for the plan. Functions performed by the Plan Administrator include: the receipt and deposit of any required contributions, maintenance of records of plan participants, authorization and payment of plan administrative expenses, selection of insurance consultants, selection of the insurance carrier, and the determination of eligibility of individual claimants for receipt of benefits.

8. The source of contribution to the Plan is the Employer.
9. The Plan Year begins on May 1st.
10. This Plan is not maintained pursuant to one or more collective bargaining agreements.

You must continue to be a member of an eligible class and continue to make any required contributions in order to remain insured. The events which will cause Your insurance to terminate and the circumstances under which benefits after termination are payable are described in this booklet.

When You have a claim, Your Human Resources Office will assist You and provide the claim forms needed to file for benefits. To avoid loss of benefits due to late filing You should take care to file Your claim within the required time period. Canada Life authorizes and makes payment of benefits. If a claim is not paid in full, Canada Life will furnish notice which will specify the reason or describe the additional information required to perfect the claim. If any claim for benefits under the Plan is denied, You will be given the reason for denial in writing usually within 45 days after receipt of the claim by the Plan, or within 75 or 105 days under special circumstances requiring a delay in processing the claim. If such extension is required, you will be given written notice of the extension prior to the end of the initial 45 day period. This notice of extension shall state the special circumstances that require the extension and the date by which a final decision will be made.

You, or a person on your behalf, may ask for a review of the denied claim in writing within 180 days of receipt of the denial notice. This written request for review should state the reasons why you feel your claim should not have been denied. It should include any additional documents which you feel support your claim. You may also ask additional questions or make comments and you may review pertinent documents. In normal cases, you will receive the final decision within 45 days of the date your request for review is received. In special cases requiring a delay, you will receive notice of the final decision no later than 90 days after your request for review is received.

The plan of insurance will terminate at the earliest occurrence of the following events:

1. When the Policyholder delivers or mails to Canada Life a written notice requesting termination; or
2. 31 days following the Policyholder's failure to make a premium payment; or
3. Canada Life elects not to renew the contract.

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STATEMENT OF ERISA RIGHTS
(as required by Federal law and regulation)

As a participant in this Group Plan, You are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974. ERISA provides that all plan participants shall be entitled to:

1. Examine, without charge, at the Plan Administrator's office and at other locations (work sites and union halls), all plan documents, including insurance contracts and copies of all documents filed by the plan with the U.S. Department of Labor, such as annual reports and plan descriptions.
2. Obtain copies of all plan documents and other plan information upon written request to the plan administrator. The administrator may make a reasonable charge for the copies.
3. Receive a summary of the plan's annual financial report. The plan administrator is required by law to furnish each participant with a copy of this summary financial report.
4. File suit in a federal court, if any materials requested are not received within 30 days of the participant's request, unless the materials were not sent because of matters beyond the control of the administrator. For violations that occur after July 29, 1997, the court may require the plan administrator to pay up to \$110.00 for each day's delay until the materials are received. For violations that occurred on or before July 29, 1997, the court may require the plan administrator to pay up to \$100.00 for each day's delay until the materials are received.

In addition to creating rights for plan participants, ERISA imposes obligations upon the persons who are responsible for the operation of the employee benefit plan. These persons are referred to as "fiduciaries" in the law. Fiduciaries must act solely in the interest of the plan participants and they must exercise prudence in the performance of their plan duties. Fiduciaries who violate ERISA may be removed and required to make good any losses they have caused the plan.

Your employer may not fire You or discriminate against You to prevent You from obtaining a welfare benefit or exercising Your rights under ERISA.

If You are improperly denied a welfare benefit in full or in part, You have a right to file suit in a federal or a state court. If plan fiduciaries are misusing the plan's money, You have a right to file suit in a federal court or request assistance from the U.S. Department of Labor. If You are successful in Your lawsuit, the court may, if it so decides, require the other party to pay Your legal costs, including attorney's fees.

If you have any questions about this statement or about your rights under ERISA, you should contact the nearest office of the Pension and Welfare Benefits Administration, U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Pension and Welfare Benefit Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, D.C. 20210.

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